

EXHIBIT C

Exhibit C

CONTRIBUTION-IN-AID-OF-CONSTRUCTION

Giga Watt 30 MW

AGREEMENT

THIS AGREEMENT is made by and between The Port of Douglas County, a Washington municipal corporation (the "Port") and Giga Watt, Inc. a Washington State Corporation (the "Tenant"), (individually a "Party" and collectively the "Parties").

RECITALS

WHEREAS, the Port is a special purpose government in Douglas County, Washington, established and authorized by RCW 53 to provide for economic development; and

WHEREAS, pursuant to RCW 54, the Douglas County Public Utility District (the "PUD") is authorized to provide electrical and telecommunication service, and provides such services through "PUD Infrastructure"; and

WHEREAS, the PUD's policy is to require customers to pay a Contribution-in-aid-of-Construction ("CIAC") pursuant to certain terms for installing PUD Infrastructure prior to the PUD providing electrical and fiber optic services to the customer; and

WHEREAS, the Port has developed the Pangborn Airport Business Park ("PABP"), defined and depicted in Exhibit A, attached, to attract new commercial, manufacturing and industrial development to Douglas County; and

WHEREAS, the Tenant seeks to lease 7.93+/- acres of unimproved real property, known as lots 10,11,12 and 13, in the PABP; and

WHEREAS, PUD Infrastructure is needed on these lots; and

WHEREAS, the Port will require the Tenant to pay a CIAC for installing the PUD Infrastructure;

NOW THEREFORE, the Port and Tenant agree to the following terms for the CIAC.

AGREEMENTS

1. **Incorporation of Recitals.** The recitals in this Agreement are incorporated into and deemed a part of this Agreement.
2. **Effective Date.** This Agreement is effective on the effective date of the Land Lease for lots 10 through 13 between the Tenant and Port, which is attached hereto and incorporated by reference as Exhibit B.

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3. PUD Infrastructure in the PABP.

- a. **Estimated Construction Costs.** The CIAC is based on an estimated cost of construction from the PUD of 664,152.50 and will be reconciled at the completion of the project.
- b. **Initial CIAC Payment.** The Tenant shall pay an initial CIAC to the Port in the amount of Two Hundred Six Thousand Nine Hundred Ninety Four dollars and Nineteen Cents (\$206,994.19) due on the effective date of the lease for Lots 10 through 13.
- c. **Additional CIAC Payments.** The Tenant shall pay a semiannual CIAC payment to the Port of forty six thousand four hundred and ninety dollars and sixty eight cents (\$46,490.68) for five (5) years with payments due each May 1 and November 1. Payment of the first and last payments will be calculated to correspond with the nearest semi-annual payment.

Giga Watt 30MW			
Year	Due Date	Payment	Balance
			664,152.50
	30% Down Payment		199,245.75
	Deferred Amount		464,906.75
	Opening Deferral Payment	7,748.44	457,158.31
1	May 1 2017	46,490.68	410,667.63
	November 1, 2017	46,490.68	364,176.95
2	May 1, 2018	46,490.68	317,686.27
	November 1, 2018	46,490.68	271,195.59
3	May 1, 2019	46,490.68	224,704.91
	November 1, 2019	46,490.68	178,214.23
4	May 1, 2020	46,490.68	131,723.55
	November 1, 2020	46,490.68	85,232.87
5	May 1, 2021	46,490.68	38,742.19
	November 1, 2021	38,742.19	0.00
	Total Payments	464,906.75	

*Initial Payment includes 30% down plus 2 months CIAC

5. **Late Payments/Default.** If the Tenant fails to make a timely payment of any CIAC Amount, the Port may provide written notice thereof (the "Notice") and if such amount is not fully paid within thirty (30) days of such Notice, then the entire balance of the five (5) year CIAC will be due. All late CIAC payments will bear

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interest at a rate of twelve percent (12%) per annum until all payments owed and all interest accrued on the entire CIAC is fully paid.

6. **Surety Bond.** The Tenant shall, upon execution of this Agreement, file with the Port a current good and sufficient corporate surety bond, in a form satisfactory to the Port to secure an amount equal to Four Hundred Sixty-Four Thousand Nine Hundred Six Dollars and Seventy-Five Cents (\$464,906.75). This bond shall remain in effect for five (5) years from the effective date of this agreement.
7. **Attorney's Fees/Venue.** If the Port must engage an attorney to collect payment or settle any dispute related to this Agreement, the substantially prevailing Party shall be entitled to collect all reasonable costs and expenses including, but not limited to, reasonable attorney's fees incurred. The venue of any action instituted hereunder shall be in Douglas County, Washington.

Port of Douglas County

Business

BY: _____

BY: _____

EXHIBIT A – Pangborn Airport Business Park

Pangborn Airport Business Park
Binding Site Plan BSP 12-01
All quarters of the SW ¼ Section 16
Township 22 N. Range 21 E. W.M.

